

**SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2012**

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
TABLE OF CONTENTS  
JUNE 30, 2012

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Affidavit	-	-	1
Independent Auditors' Report	-	-	2
Management's Discussion and Analysis	-	-	4
Statement of Net Assets	A	-	9
Statement of Activities	B	-	10
Balance Sheet - Governmental Funds	C	-	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	-	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E	-	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	-	14
Statement of Fiduciary Assets and Liabilities - Fiduciary Funds	G	-	15
Notes to the Financial Statements	-	-	16
Required Supplementary Information	-	-	26
Schedule of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Budget (GAAP Basis) and Actual	-	1	27
Other Supplementary Information	-	-	28
Schedule of Changes in Fiduciary Net Assets	-	2	29
Schedule of Findings and Questioned Costs	-	3	30
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with <u>Government Auditing Standards</u>	-	-	31
Summary Schedule of Prior Audit Findings	-	4	33
Summary Schedule for Current Year Audit Findings	-	5	34

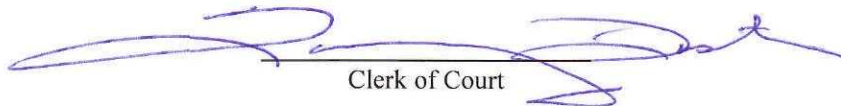
SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2012

Legislative Auditor  
P. O. Box 94397  
Baton Rouge, LA 70804-9397


AFFIDAVIT

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Personally came and appeared before the undersigned authority, Tammy Foster, Sabine Parish Clerk of Court, who duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of the Sabine Parish Clerk of Court at June 30, 2012 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

  
Clerk of Court

Sworn to and subscribed before me, this 14<sup>th</sup> day of December, 2012.

  
NOTARY PUBLIC  
E. Merlin Sguys, 18# 033769

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## INDEPENDENT AUDITORS' REPORT

Honorable Tammy Foster  
Sabine Parish Clerk of Court  
P.O. Box 419  
Many, Louisiana 71449

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Sabine Parish Clerk of Court, Many, Louisiana, as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Sabine Parish Clerk of Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Sabine Parish Clerk of Court as of June 30, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated December 14, 2012, on our consideration of the Sabine Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 4 through 8 and 27, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sabine Parish Clerk of Court's financial statements as a whole. The accompanying information identified in the table of contents as Other Supplementary Information is presented for the purposes of additional analysis and is not a required part of the financial statements. The Other Supplementary Information schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The financial information for the year ended June 30, 2011, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated December 16, 2011, on the basic financial statements of the Sabine Parish Clerk of Court.

***Hines, Sheffield & Squyres***

Natchitoches, Louisiana

December 14, 2012

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012

The Management's Discussion and Analysis of the Sabine Parish Clerk of Court's financial performance presents a narrative overview and analysis of Sabine Parish Clerk of Court's financial activities for the year ended June 30, 2012. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Sabine Parish Clerk of Court's financial statements, which begin on page 9.

**FINANCIAL HIGHLIGHTS**

- 1) The Sabine Parish Clerk of Court had cash and investments of \$1,944,167 at June 30, 2012, which represents an increase of \$76,840 from the prior year end.
- 2) The Sabine Parish Clerk of Court had accounts receivable of \$27,458 at June 30, 2012, which represents a decrease of \$28,764 from the prior year end.
- 3) The Sabine Parish Clerk of Court had accounts payable and accruals of \$9,162 at June 30, 2012, which represents a decrease of \$6,041 from the prior year end.
- 4) The Sabine Parish Clerk of Court had total revenues of \$1,053,566 for the year ended June 30, 2012, which represents a decrease of \$541,913 from the prior year.
- 5) The Sabine Parish Clerk of Court had fees, fines and charges for services revenues of \$1,030,037 for the year ended June 30, 2012, which represents a decrease of \$528,586 from the prior year.
- 6) The Sabine Parish Clerk of Court had total expenses of \$1,012,756 for the year ended June 30, 2012, which represents a decrease of \$10,780 from the prior year.
- 7) The Sabine Parish Clerk of Court had personal services expense of \$773,883 for the year ended June 30, 2012, which represents an increase of \$16,488 from the prior year.
- 8) The Sabine Parish Clerk of Court had operating services expense of \$122,567 for the year ended June 30, 2012, which represents a decrease of \$1,055 from the prior year.
- 9) The Sabine Parish Clerk of Court had supplies expense of \$43,441 for the year ended June 30, 2012, which represents a decrease of \$10,859 from the prior year.
- 10) The Sabine Parish Clerk of Court had capital asset purchases of \$89,453 for the year ended June 30, 2012, which represents an increase of \$20,807 from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for the Sabine Parish Clerk of Court as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2012

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information  
(Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

**Basic Financial Statements**

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Sabine Parish Clerk of Court as a whole and present a longer-term view of the Clerk of Court's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the Clerk of Court's net assets and changes in them. You can think of the Clerk of Court's net assets, the difference between assets and liabilities, as one way to measure the Clerk of Court's financial health, or financial position. Over time, increases or decreases in the Fund's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 11. All of the Clerk of Court's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Clerk of Court's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk of Court's activities as well as what remains for future spending.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2012

**FINANCIAL ANALYSIS OF THE ENTITY**

Statement of Net Assets  
As of Year End

	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 1,980,398	\$ 1,925,293
Capital assets, net	<u>124,805</u>	<u>95,042</u>
 Total Assets	 <u>\$ 2,105,203</u>	 <u>\$ 2,020,335</u>
 Other liabilities	 \$ 9,162	 \$ 15,203
Compensated absences payable	0	0
Other post employment benefits payable	<u>150,568</u>	<u>100,469</u>
Total Liabilities	<u>159,730</u>	<u>115,672</u>
 Net assets		
Investment in capital assets, net of related debt	124,805	95,042
Unrestricted	<u>1,820,668</u>	<u>1,809,621</u>
Total Net Assets	<u>1,945,473</u>	<u>1,904,663</u>
 Total Liabilities and Net Assets	 <u>\$ 2,105,203</u>	 <u>\$ 2,020,335</u>

Net assets of the Sabine Parish Clerk of Court increased by \$40,810 or 2.14% from the previous fiscal year. The increase is the result of operating and non-operating revenues exceeding expenses during the fiscal year ended 2012 (See table below).

Statement of Activities  
For the Year Ended

	<u>2012</u>	<u>2011</u>
General government		
Expenses	\$ (1,012,756)	\$ (1,023,536)
Program revenues		
Fees and charges for services	1,030,037	1,558,623
Operating grants and contributions	<u>20,700</u>	<u>21,000</u>
 Subtotal	 37,981	 556,087
 General revenues	 <u>2,829</u>	 <u>15,856</u>
 Change in net assets	 <u>\$ 40,810</u>	 <u>\$ 571,943</u>

The Sabine Parish Clerk of Court's total revenues decreased by \$541,913 or 33.97% from the previous year. The total cost of all programs and services decreased by \$10,780 or 1.05% from the previous year.



SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2012

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At the end of 2012, the Sabine Parish Clerk of Court had \$124,805, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net increase (including additions and deductions) of \$29,763 or 31.32% from the previous year.

Capital Assets at Year End  
(Net of Depreciation)

	<u>2012</u>	<u>2011</u>
Automobile	\$ 17,623	\$ 8,215
Furniture, fixtures and equipment	<u>107,182</u>	<u>86,827</u>
Total	<u>\$ 124,805</u>	<u>\$ 95,042</u>

This year's major additions included:

Automobile	\$ 22,029
Furniture, fixtures and equipment	\$ 67,424

This years's major retirements included:

Automobile	\$ 20,537
Furniture, fixtures and equipment	\$ 25,056

Debt

The Sabine Parish Clerk of Court had \$150,568 in other post employment benefits payable at year end compared to \$100,469 at the previous year end, which is an increase of \$50,099 or 49.87% as shown in the table below.

Outstanding Debt at Year End

	<u>2012</u>	<u>2011</u>
Other post employment benefits payable	<u>\$ 150,568</u>	<u>\$ 100,469</u>
Totals	<u>\$ 150,568</u>	<u>\$ 100,469</u>

New debt during the year included:

None.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2012

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Actual revenues were \$87,288 more than budgeted amounts due to fees, fines and charges for services being more than expected.

Actual expenditures were \$26,142 more than budgeted amounts due to capital outlay being more than expected.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Sabine Parish Clerk of Court's elected official considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Fees, fines and charges for services
- 2) Interest income
- 3) Miscellaneous revenues

The Sabine Parish Clerk of Court does not expect any significant changes in next year's results as compared to the current year.

**CONTACTING THE SABINE PARISH CLERK OF COURT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Sabine Parish Clerk of Court's finances and to show the Sabine Parish Clerk of Court's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tammy Foster, Sabine Parish Clerk of Court, P. O. Box 419, Many, Louisiana 71449.

EXHIBIT A

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
STATEMENT OF NET ASSETS  
JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 874,167	\$ 777,327
Investments	1,070,000	1,090,000
Accounts receivable	27,458	56,222
Prepaid expenses	<u>8,773</u>	<u>1,744</u>
Total Current Assets	1,980,398	1,925,293
Noncurrent Assets		
Capital assets, net	<u>124,805</u>	<u>95,042</u>
Total Assets	<u>\$ 2,105,203</u>	<u>\$ 2,020,335</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accruals	\$ 9,162	\$ 15,203
Total Current Liabilities	9,162	15,203
Noncurrent Liabilities		
Compensated absences payable	0	0
Other post employment benefits payable	<u>150,568</u>	<u>100,469</u>
Total Liabilities	159,730	115,672
<b>NET ASSETS</b>		
Investment in capital assets, net of related debt	124,805	95,042
Unrestricted	<u>1,820,668</u>	<u>1,809,621</u>
Total Net Assets	<u>1,945,473</u>	<u>1,904,663</u>
Total Liabilities and Net Assets	<u>\$ 2,105,203</u>	<u>\$ 2,020,335</u>

The accompanying notes are an integral part of this statement.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	2012				2011	
	Expense	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets	Revenue and Changes in Net Assets
General Government						
Personal services	\$ 773,883	\$ 828,798	\$ 20,700	\$ 0	\$ 75,615	\$ 494,784
Travel	3,877	4,152	0	0	275	2,179
Operating services	122,567	131,264	0	0	8,697	77,331
Supplies	43,441	46,524	0	0	3,083	33,968
Professional services	18,020	19,299	0	0	1,279	12,530
Depreciation	50,968	0	0	0	(50,968)	(64,705)
Total General Government	<u>\$ 1,012,756</u>	<u>\$ 1,030,037</u>	<u>\$ 20,700</u>	<u>\$ 0</u>	37,981	556,087
General Revenues						
Interest					9,833	15,146
Miscellaneous					(7,004)	710
Total General Revenues					<u>2,829</u>	<u>15,856</u>
Change in Net Assets					40,810	571,943
Net Assets, Beginning of year					<u>1,904,663</u>	<u>1,332,720</u>
Net Assets, End of year					<u>\$ 1,945,473</u>	<u>\$ 1,904,663</u>

The accompanying notes are an integral part of this statement.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Cash	\$ 874,167	\$ 777,327
Investments	1,070,000	1,090,000
Accounts receivable	27,458	56,222
Prepaid expenses	<u>8,773</u>	<u>1,744</u>
Total Assets	<u>\$ 1,980,398</u>	<u>\$ 1,925,293</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accruals	\$ 9,162	\$ 15,203
Total Liabilities	<u>9,162</u>	<u>15,203</u>
 <b>FUND BALANCES</b>		
Nonspendable	8,773	1,744
Unassigned	<u>1,962,463</u>	<u>1,908,346</u>
Total Fund Balances	<u>1,971,236</u>	<u>1,910,090</u>
Total Liabilities and Fund Balances	<u>\$ 1,980,398</u>	<u>\$ 1,925,293</u>

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012

Total Fund Balances for Governmental Funds (Exhibit C)	\$ 1,971,236
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Total Net Assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Automobile, net of \$4,406 in accumulated depreciation	\$ 17,623	
Furniture, fixtures and equipment, net of \$447,824		
in accumulated depreciation	<u>\$ 107,182</u>	
Total Capital Assets		124,805

Long-term liabilities, including other post employment benefits payable, are not due and payable in the current period and therefore are not reported in the fund liabilities.	<u>(150,568)</u>
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Total Net Assets of Governmental Activities (Exhibit A)	<u>\$ 1,945,473</u>
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SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Fees, fines and charges for services	\$ 1,030,037	\$ 1,558,623
Intergovernmental revenues	20,700	21,000
Interest and investment income	9,833	15,146
Miscellaneous	<u>1,718</u>	<u>710</u>
Total Revenues	1,062,288	1,595,479
EXPENDITURES		
General government		
Personal services	723,784	707,296
Travel	3,877	3,484
Operating services	122,567	123,622
Supplies	43,441	54,300
Professional services	18,020	20,030
Capital outlay	<u>89,453</u>	<u>68,646</u>
Total Expenditures	<u>1,001,142</u>	<u>977,378</u>
Excess/(Deficiency) Of Revenues Over Expenditures	61,146	618,101
Fund Balance, Beginning of year	<u>1,910,090</u>	<u>1,291,989</u>
Fund Balance, End of year	<u>\$ 1,971,236</u>	<u>\$ 1,910,090</u>

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012

Net Change in Fund Balances-Total Governmental Funds (Exhibit E)	\$	61,146
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The change in Net Assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$89,453) exceeds depreciation (\$50,968) in the current period.		38,485
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In the statement of activities, only the gain/(loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the portion of the assets sold that have not been depreciated.		(8,722)
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Some expense reported in the statement of activities, such as other post employment benefits, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(50,099)
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Change in Net Assets of Governmental Activities (Exhibit B)	\$	<u>40,810</u>
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SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
JUNE 30, 2012 AND 2011

	<u>2012</u>			<u>2011</u>
	<u>Registry of Court</u>	<u>Advance Deposit</u>	<u>Total</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 348,615	\$ 308,754	\$ 657,369	\$ 652,144
Investments	<u>0</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Total Assets	<u>\$ 348,615</u>	<u>\$ 458,754</u>	<u>\$ 807,369</u>	<u>\$ 802,144</u>
LIABILITIES				
Due to others	<u>\$ 348,615</u>	<u>\$ 458,754</u>	<u>\$ 807,369</u>	<u>\$ 802,144</u>
Total Liabilities	<u>\$ 348,615</u>	<u>\$ 458,754</u>	<u>\$ 807,369</u>	<u>\$ 802,144</u>

The accompanying notes are an integral part of this statement.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Sabine Parish Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages, and other acts, and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

**NOTE 1        SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.        Basis of Presentation**

The accompanying financial statements of the Sabine Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

**B.        Reporting Entity**

The Sabine Parish Clerk of Court is an independently elected official; however, the Clerk of Court is fiscally dependent on the Sabine Parish Police Jury. The Police jury maintains and operates the parish courthouse in which the Clerk of Court's office is located and provides funds for other expenses of the Clerk of Court's office, as necessary. In addition, the Police jury's financial statements would be incomplete or misleading without inclusion of the Clerk of Court. For these reasons, the Clerk of Court was determined to be a component unit of the Sabine Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the Police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C.        Fund Accounting**

The Sabine Parish Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the Clerk of Court are classified into two categories: governmental and fiduciary, as follows:

**Governmental Funds**

Governmental funds account for all or most of the Clerk of Court's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court. The following are the Clerk of Court's governmental funds:

**General Fund** - The General Fund (Salary Fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the Sabine Parish Clerk of Court and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in his fund.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 1        SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C.        Funds Accounting (Continued)**

**Fiduciary Funds** - Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the clerk are agency funds. The agency funds account for assets held by the clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The Advance Deposit, Registry of Court - Agency Funds account for assets held as an agent for others.

**D.        Measurement Focus/Basis of Accounting**

**Government - Wide Financial Statements**

The Statement of Net Assets (Exhibit A) and the Statement of Activities (Exhibit B) display information about the reporting government as a whole. These statements include all the financial activities of the Sabine Parish Clerk of Court, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets (Schedule 2) in other supplementary information.

The government - wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

**Fund Financial Statements**

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet (Exhibit C). The Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit E) reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government - wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government - wide statements and the statements for governmental funds.

Fund financial statements report detailed information about the Clerk of Court. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sabine Parish Clerk of Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.          Measurement Focus/Basis of Accounting (Continued)**

**Revenues**

Fees for certified copies, recording legal documents, marriage licenses, and commissions for services are recorded in the year they are earned. Interest income on time deposits are recorded when the time deposits have matured and the income is available. Interest receivables are accrued in the Advance Deposit Fund; all other revenues are recorded when received.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Other Financing Sources/(Uses)**

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishment, long-term proceeds, et cetera) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

**E.          Budgetary Accounting**

Formal budgetary accounting is employed as a management control. The Sabine Parish Clerk of Court prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Clerk of Court amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

**F.          Cash and Cash Equivalents**

Cash and cash equivalents are considered to be cash on hand, demand deposits, interest bearing demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**G.          Investments**

Investments are limited by R.S. 33:2955 and the Sabine Parish Clerk of Court's investment policy. Investments are carried at fair market value as of the balance sheet date.

**H.          Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.      Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2012, \$0 were considered uncollectible.

**J.      Capital Assets**

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Sabine Parish Clerk of Court are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**K.      Compensated Absences**

Clerk of Court employees earn annual and sick leave at various rates depending on the number of years of service. Leave does not carryover or accumulated from one year to the next, and there are no vesting privileges. Therefore no liability for compensated absences has been recorded in the accompanying financial statements.

**L.      Restricted Net Assets**

In the government-wide statements, equity is classified as net assets and displayed in three components:

1.      Investment in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets.
2.      Restricted net assets - consists of net assets with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation.
3.      Unrestricted net assets - all other net assets.

**M.      Fund Equity**

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components:

1.      Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2.      Restricted - amounts constrained to specific purposes by either a) creditors, grantors, contributors, or the laws or regulations of other governments, or b) constitutional provisions or enabling legislation.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M.      Fund Equity (Continued)**

3.      Committed - amounts constrained to specific purposes by the governmental entity at its highest level of decision-making authority (Clerk). These amounts can not be used for any other purposes unless the government takes the same highest level action to remove or change the constraint.
4.      Assigned - amounts that do not meet the criteria to be classified as restricted or committed that are intended to be used for specific purposes as established by the Clerk or their designee.
5.      Unassigned - all other spendable amounts.

The Clerk establishes (and modifies or rescinds) fund balance commitments and assignments by passage of an ordinance or resolution.

The Sabine Parish Clerk of Court typically uses restricted fund balances first, followed by committed, assigned and unassigned funds when an expenditure is incurred for purposes for which amounts in any of these fund balance classifications could be used.

**N.      Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2          DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A.      Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Sabine Parish Clerk of Court may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Clerk of Court may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts mutually acceptable to both parties. The deposits at June 30, 2012 were secured as follows:

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 2        DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONTINUED)**

**A.        Deposits with Financial Institutions (Continued)**

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Deposits in bank accounts per balance sheet	\$ 1,531,336	\$ 1,220,000	\$ 2,751,336
Bank Balances (Category 3 Only, If Any)			
a. Uninsured and uncollateralized	\$ 0	\$ 0	\$ 0
b. Uninsured and uncollateralized with securities held by the pledging institution	0	0	0
c. Uninsured and uncollateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	0	0	0
Total Category 3 Bank Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Bank Balances (All Categories Including Category 3 Reported Above)	<u>\$ 1,549,436</u>	<u>\$ 1,220,000</u>	<u>\$ 2,769,436</u>

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>Amount</u>
Bank of China-Edward Jones CD	\$ 75,000
City Bank & Trust Company	886,751
Peoples State Bank	964,895
Sabine State Bank	<u>842,790</u>
Total	<u>\$ 2,769,436</u>

**B.        Investments**

At June 30, 2012, the Sabine Parish Clerk of Court had investments of \$0.

**NOTE 3        ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at June 30, 2012:

<u>Class of Receivable</u>	
Fees, fines and charges for services	\$ 23,395
Interest	1
Other	<u>4,062</u>
Total	<u>\$ 27,458</u>



SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 4 CAPITAL ASSETS**

A summary of Sabine Parish Clerk of Court's capital assets at June 30, 2012 follows:

	Balance June 30, 2011	Additions	Retirements	Balance June 30, 2012
Automobile	\$ 20,537	\$ 22,029	\$ (20,537)	\$ 22,029
Less accumulated depreciation	(12,322)	(4,406)	12,322	(4,406)
Total Automobile	8,215	17,623	(8,215)	17,623
Furniture, fixtures and equipment	512,638	67,424	(25,056)	555,006
Less accumulated depreciation	(425,811)	(46,562)	24,549	(447,824)
Total Furniture, fixtures and equipment	86,827	20,862	(507)	107,182
Total Capital Assets, net	<u>\$ 95,042</u>	<u>\$ 38,485</u>	<u>\$ (8,722)</u>	<u>\$ 124,805</u>

**NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at June 30, 2012:

<u>Class of Payable</u>	
Vendor	\$ 3,809
Salaries and related benefits	978
Other	4,375
Total	<u>\$ 9,162</u>

**NOTE 6 PENSION PLAN**

Substantially all employees of the Sabine Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.



SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 6            PENSION PLAN (CONTINUED)**

The Sabine Parish Clerk of Court also participates in the State of Louisiana Public Employees Deferred Compensation Plan which is defined by Internal Revenue Code Section 457. Employees may contribute up to the lesser of (1) 25% of their taxable compensation or (2) \$8,000. The Clerk matches employee contributions up to 7% of the employee's annual salary.

Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Sabine Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 17.25% of annual covered payroll. The Clerk has decided to pay the member contributions, 8.25%. Contributions to the System, also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan member and the Sabine Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The Sabine Parish Clerk of Court's contribution to the System and the Deferred Compensation Plan for the years ending June 30, 2012, 2011 and 2010, were \$130,161, \$125,011 and \$108,253, respectively, equal to the required contribution for each year.

**NOTE 7            OTHER POSTEMPLOYMENT BENEFITS**

The Sabine Parish Clerk of Court's defined benefit postemployment health care plan ("the Retiree Health Plan") provides certain medical, dental and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association. The plan does not issue a publicly available financial report.

The contribution requirements of plan members and the Sabine Parish Clerk of Court are established and may be amended by the LCCIT board of trustees. The Clerk contributes 100% of the cost of the current year premiums for eligible retired plan members and 50% of the cost for retired plan members' spouses and dependent children. The benefits are financed on a pay-as-you-go basis with the Clerk contributing \$5,033 for retirees in 2012.

For the year ended June 30, 2012, the Sabine Parish Clerk of Court's annual other postemployment benefits ("OPEB") cost is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Clerk's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

Beginning net OPEB obligation, July 1, 2011	\$        100,469
Annual required contribution	55,132
Interest on net OPEB obligation	<u>0</u>
OPEB cost	55,132
Contributions made	<u>(5,033)</u>
Change in net OPEB obligation	<u>50,099</u>
Ending net OPEB obligation, June 30, 2012	\$ <u>150,568</u>

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 7            OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The Sabine Parish Clerk of Court's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2012, is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2010	\$ 55,132	8.64%	\$ 50,370
June 30, 2011	\$ 55,132	9.13%	\$ 100,469
June 30, 2012	\$ 55,132	9.13%	\$ 150,568

The funded status of the plans as of June 30, 2012, was as follows:

Actuarial accrued liability (AAL)	\$ 561,913
Actuarial value of plan assets	<u>0</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 561,913</u></u>
 Funded ratio (actuarial value of plan assets/AAL)	 0.00%
 Covered payroll (annual payroll of active employee covered by the plan)	 422,451
UAAL as a percentage of covered payroll	133.01%

The projection of future benefit payments for an ongoing plan involving estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation, the entry age actuarial cost method was used. Based on the Sabine Parish Clerk of Court's short-term investment portfolio, a discount rate of 4.0% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 10.0% initially, reduced by decrements to an ultimate rate of 5.5% after 10 years. The Sabine Parish Clerk of Court's unfunded actuarial liability is being amortized as a level percentage of projected payroll on an open basis over 30 years.

**NOTE 8            LEASES**

The Sabine Parish Clerk of Court was not obligated under any capital or operating lease agreements at June 30, 2012.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

**NOTE 9            RISK MANAGEMENT**

The Sabine Parish Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk of Court.

**NOTE 10           LITIGATION AND CLAIMS**

There was no outstanding litigation against the Sabine Parish Clerk of Court at June 30, 2012.

**NOTE 11           EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY**

The Sabine Parish Police Jury provided office space, paid all utility bills, some insurance, and furnished some of the equipment in the Clerk's office for the year ended June 30, 2012.

## **REQUIRED SUPPLEMENTARY INFORMATION**

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Actual	Variance Fav./(Unfav.)
REVENUES			
Fees, fines and charges for services	\$ 941,000	\$ 1,030,037	\$ 89,037
Intergovernmental revenues	21,000	20,700	(300)
Interest and investment income	12,000	9,833	(2,167)
Miscellaneous	1,000	1,718	718
Total Revenues	<u>975,000</u>	<u>1,062,288</u>	<u>87,288</u>
EXPENDITURES			
General government			
Personal services	728,800	723,784	5,016
Travel	5,500	3,877	1,623
Operating services	144,400	122,567	21,833
Supplies	49,300	43,441	5,859
Professional services	21,000	18,020	2,980
Capital outlay	26,000	89,453	(63,453)
Total Expenditures	<u>975,000</u>	<u>1,001,142</u>	<u>(26,142)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	0	61,146	61,146
Fund Balance, Beginning of year	<u>1,910,090</u>	<u>1,910,090</u>	<u>0</u>
Fund Balance, End of year	<u>\$ 1,910,090</u>	<u>\$ 1,971,236</u>	<u>\$ 61,146</u>

## **OTHER SUPPLEMENTARY INFORMATION**

SCHEDULE 2

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2012

Unsettled Balances at July 1, Due to Others	\$ 802,144
Collections	
Suits and successions	503,228
Judgements	87,653
Interest income	1,041
Other Collections	<u>0</u>
Total Collections	<u>591,922</u>
Total Available for Distribution	
Distributions	
Clerk's costs	276,724
Settlements to litigants	213,539
Sheriff's fees	51,795
Attorneys, curators, notary	150
Judges supplemental fund	17,965
Judges expense fund	12,291
Other reductions	<u>14,233</u>
Total Distributions	<u>586,697</u>
Unsettled Balances at June 30, Due to Others	<u>\$ 807,369</u>

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012

**SECTION #1**

**SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

- |    |  |               |
|----|--|---------------|
| 1. | Type of auditors' report issued.   | Unqualified   |
| 2. | Internal control over financial reporting:   |               |
|    | a) Material weakness(es) identified?   | No            |
|    | b) Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Noncompliance material to financial statements noted?  | No            |

**SECTION #2**

FINANCIAL STATEMENT FINDINGS

None reported.



# HINES, SHEFFIELD & SQUYRES, L.L.C.

FRANK S. HINES, CPA  
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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Tammy Foster  
Sabine Parish Clerk of Court  
P. O. Box 419  
Many, Louisiana 71449

We have audited the financial statements of the governmental activities and the aggregate remaining fund information of the Sabine Parish Clerk of Court, Many, Louisiana, as of and for the year ended June 30, 2012, and have issued our report dated December 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

Management of the Sabine Parish Clerk of Court is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Sabine Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sabine Parish Clerk of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Sabine Parish Clerk of Court's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sabine Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Page #2

This report is intended solely for the information and use of the Sabine Parish Clerk of Court, management and the Louisiana State Legislative Auditor and is not intended to be, and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Hines, Sheffield & Squyres***

Natchitoches, Louisiana

December 14, 2012

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2012

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.

SABINE PARISH CLERK OF COURT  
MANY, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2012

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Plan</u>	<u>Name(s) of Contract Person (s)</u>	<u>Anticipated Completion Date</u>
-----------------	-------------------------------	-------------------------------	---	--

Nothing came to our attention that would require disclosure under Government Auditing Standards.